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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

October 18, 1994

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OCT 18 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

The Honorable Lee Hamilton  
Member of Congress  
Attn: Becky Miller  
2187 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

DOCKET FILE COPY ORIGINAL

Dear Congressman Hamilton:

This letter responds to your correspondence on behalf of Gloria Johnson regarding charges on her telephone bill and relating to information services provided on 800 numbers. Your letter, as well as the complaint of your constituent, has been referred to the Enforcement Division of the Common Carrier Bureau for review. The Enforcement Division will communicate with your constituent upon completion of its review.

The Telephone Disclosure and Dispute Resolution Act (TDDRA) was enacted by Congress in 1992 and required both the Federal Communications Commission and the Federal Trade Commission (FTC) to adopt rules governing the provision of pay-per-call services. Under the TDDRA, the FCC has jurisdiction over the telecommunications carriers involved in the transmission and billing of the telephone calls, while the Federal Trade Commission has jurisdiction over the information service companies themselves.

The TDDRA generally required pay-per-call services to be provided on 900 telephone numbers and generally prohibited the provision of these services on 800 numbers, except in instances where the caller has entered into a presubscription agreement or comparable arrangement with the information service provider. Pursuant to the Commission's rules, which became effective on September 24, 1993, a presubscription agreement entails a formal contractual understanding whereby the consumer is provided clearly and conspicuously all terms and conditions associated with the use of the service and affirmatively agrees to abide by them.

The Commission has received numerous complaints similar to those described by your constituent. These complaints are processed by the Enforcement Division of the Common Carrier Bureau by serving a copy of the complaint upon the telecommunication carriers involved, who must generally respond in writing within 30 days. Beyond reviewing these

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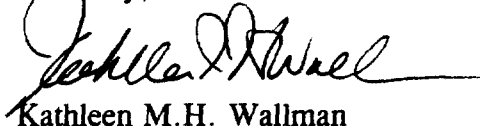
The Honorable Lee Hamilton  
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complaints and pursuing appropriate action to resolve them, the Commission has undertaken several efforts. First, Common Carrier Bureau staff has met with the carriers that provide the billing service for calls to 800 numbers as well as interexchange carriers who provide the 800 number transport to emphasize their obligations under the TDDRA and the rules of the Commission. Secondly, because the increase in the number of complaints has been so significant, we have started an investigation of these practices, with special focus on whether any companies have attempted to evade or violate our rules. Additionally, as part of the effort to make clear the carriers' responsibilities under the law, the Common Carrier Bureau has recently issued a ruling holding that the information provider's receipt of the originating telephone number, a practice that was serving as the premise of some charges, does not in itself constitute a presubscription agreement.

Moreover, on August 2, 1994, the Commission instituted a Notice of Proposed Rulemaking seeking to strengthen Commission rules to prevent abusive and unlawful practices under the TDDRA. Specifically, the Commission has sought public comment on a proposal to require that a presubscription agreement be established only with a legally competent individual and executed in writing, and that common carriers obtain evidence of the written agreement before issuing a telephone bill that contains charges for presubscribed information services. Under the proposed rules, these telephone bills could be addressed only to the individual who actually entered into the presubscription arrangement, not to the person or company whose telephone was used to place the call. The Commission has tentatively concluded that this and other proposed changes would significantly assist in eliminating the source of many consumer complaints. Enclosed is a summary of the Commission's action in this regard.

We appreciate receiving your correspondence. Please call upon us if we can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen M.H. Wallman", written over a horizontal line.

Kathleen M.H. Wallman  
Chief  
Common Carrier Bureau

Enclosure

CHA  
HOUSE OF REPRESENTATIVES, U.S.  
WASHINGTON, D.C.

AUG 31 1994

CC-870  
CC-900  
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The attached communication is submitted for your consideration, and to ask that the request made therein be complied with, if possible.

If you will advise me of your action in this matter and ~~have the letter returned to me with your reply~~, I will appreciate it.

Attn: Becky Miller

Very Truly yours,  
Congressman Lee H. Hamilton  
207 Rayburn Building  
Washington, D.C. 20515

M.C.

District.

RE: 8/25/94

RE: FCC has not made a ruling that someone can call an 800 phone number and get linked up with a 900 number and be charged for the call

Gloria Johnson

2836 Meadowood Drive

Madison, IN 47250

She had calls that were not made by her family members on her phone bill and it said Integretel a clearing house agent for Absolute Tel 800-736-7500. She called them and she called GTE. GTE told her to call her Congressman, that FCC has not made a ruling on this. She wants to know if someone from our office can call the 800 number above and have it explained to them.

Her phone bill is being adjusted, but she did not know that it was possible to link 800 numbers with a 900 number. She hopes Congress will do something.

THE END.